

## **KART Insurance Committee**

### **1) What is the specific action or outcome? (Services)**

- Once an ASD diagnosis is confirmed by a MD, insurance companies should be mandated to cover a list of services approved by the legislature. Individuals should automatically qualify for services: ABA; prescription drugs; psychiatric and psychological services; physical therapy; speech and language pathology services; nutritional services; and occupational therapy.
- ABA must be provided year-round (mandated by Indiana) and not limited to a certain number of calendar days.
- Coverage may not be subject to dollar limits, deductibles, co-payments, or co-insurance provisions that are less favorable to the insured than those that apply to physical illness.
- Insurers and HMOs cannot deny or refuse to issue coverage or restrict coverage on individuals with ASD.
- The education system needs to provide a letter of denial for services not covered under the education system which they determine to be medically necessary. They must provide full evaluation and reason for the denial. The denial should keep in mind “due no harm.”

### **How will this be achieved?**

Appropriate ASD coverage can be achieved by the implementation of new regulations. The regulations should clearly outline specific services that must be covered. The regulation should also be clear that if the education system denies a specify service and provides efficient reason of denial, the insurance must cover the services for ASD.

### **Who will implement this action or outcome impact?**

The legislators.

### **How will this be funded?**

Once the regulation is mandated, the family will be funding these services. As they are paying for these services through high premium, they deserve coverage that can benefit their loved one. We also believe that adequate coverage with early intervention will be cost effective for the insurance companies in the long run.

## **2) What is the specific action or outcome? (Appeals)**

- If claims for coverage of reasonable and legitimate therapy are denied, means for appeal need to be available and explained to the families by the insurance companies.
- Each insurer should have an internal grievance and/or appeals process that should be outlined in the insurer's policy handbook or employee information for ASD clients and their families.
- If the internal appeal process with an insurer has been exhausted and a request made for an external appeal (i.e. arbitration), the insurer should bear the cost of arbitration.
- The Department of Insurance (DOI) and DMHC should be the last means for resolution if it is believed the insurer is not complying with the law and has not provided ASD clients and their families with the first two options.
- Any complaints need to be followed up by DMHC and DOI once the guidelines and regulations have been established.
- This process can also be used for the school system as well.

### **How will this be achieved?**

Good insurance companies practice utilizing a code of ethic established in the law; however, compliance needs to be enforced by the legislature. Like any agencies that oversee and regulate compliance, DOI and DMHC need to ensure that when an appeal comes to their department, it has gone through all the proper internal appeals of the insurance company first. This should be common practice: Focus first on ensuring that insurance companies utilize the right means to achieve their final decisions regarding appeals. With the appeal process overseen by the DOI and DMHC, appeals filed by ASD clients and their families will begin to reduce in number. Both departments will have more funds and resources available to use toward ensuring compliance.

### **Who will implement this action or outcome impact?**

A combined effort of insurance companies, schools, DOI, DHMC, and parents will be required to implement this action and ensure parents of ASD individuals learn of the resources available and have access to this information.

### **How will this be funded?**

As mentioned above, if this process is overseen by the DOI and DMHC, the number of appeals will reduce in number. Both departments will have more funds and resources available to utilize toward ensuring compliance.

## **3) What is the specific action or outcome? (Regional Center vs. insurance vs. education)**

- **Clarity is the key.** Mediators may improve therapeutic resource availability by reviewing all submitted records for final determination which agency best provides services.
  - Regional centers should have a cap or number of hours allowed depending on the client's needs per week, month, and year.
  - Regional centers should be mainly responsible for services that are neither medical nor educational such as: supportive living services (SLS), day programs, group homes, food services, living needs, after school care, respite care, etc.
  - If the individual and their family do not have medical insurance, medical services can be provided by the regional center on an as needed basis.
  - There needs to be linkage between all three providers (regional centers, insurance companies, and educational systems) to ensure all needs are met and all services are being provided including assurance there are no duplication of services for control of service costs.

### **How will this be achieved?**

Mediation of submitted records for review can be centralized or provided at different regional locations.

### **Who will implement this action or outcome impact?**

This can be done by a private entity or by DOI and DMHC.

### **How will this be funded?**

Currently, funds are possibly used for duplicate and/or overlapping of services. This can be avoided, controlled, and made more efficient through improved guidelines re: ASD services with the saved resources utilized to fund proposed mediation and means for appeal resolution. Initially, forming the infrastructure for mediation will have costs; but once implemented, the savings can be utilized toward improved services for ASD children and their families.